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Proposed programme budget for the biennium 2012-2013*

Income section 2
General income

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* A summary of the approved programme budget will subsequently be issued as *Official Records of the General Assembly, Sixty-sixth Session, Supplement No. 6* (A/66/6/Add.1).

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Table IS2.1 **Summary by source of income**

(Thousands of United States dollars)

Source	*2010-2011 approved estimates*	*2012-2013 estimates*	*Increase (decrease)*
A. Income from rental of premises	8 736.9	21 154.8	12 417.9
B. Reimbursement for services provided to specialized agencies and others	3 408.2	3 537.7	129.5
C. Bank interest	25 493.2	25 105.9	(387.3)
D. Sale of used equipment	163.7	83.1	(80.6)
E. Refund of previous years' expenditures	1 609.9	1 709.9	100.0
F. Contributions of non-member States	21.0	23.5	2.5
G. Television and similar services	38.1	54.0	15.9
H. Miscellaneous income	1 016.8	826.9	(189.9)
Total	**40 487.8**	**52 495.8**	**12 008.0**

A. Income from rental of premises

IS2.1 The estimates under this heading, the details of which are shown in table IS2.2, relate to the payment of rent by a number of specialized agencies and other entities connected with the activities of the Organization for the occupancy of United Nations premises in New York, Geneva, Addis Ababa, Bangkok, Nairobi and Santiago. Under the terms of agreement with the Government of Austria, the United Nations does not charge rent for the space provided for other tenants on its premises in Vienna, and rental income generated in Vienna would devolve to the Government of Austria. As per the position of the Advisory Committee on Administrative and Budgetary Questions in 2001, which was endorsed by the General Assembly in resolution 63/263, rental income at the United Nations Office at Nairobi is utilized to finance the ongoing project costs of construction of additional office facilities in the Gigiri compound. As foreseen by the Secretary-General in his report on overseas property management and construction (A/65/351), the construction was substantially completed in December 2010. Construction is to be followed by the partitioning component and interior set-up during the first half of 2011, with full occupancy anticipated by mid-2011. As regards the settlement of the construction costs incurred throughout the project, it is expected that the full cost of the project will not be paid off until mid-2012, as illustrated in the cash flow projection contained in annex II of the report of the Secretary-General. Thereafter, the rental income will revert, in full, to income section 2 in keeping with the practice prior to the construction project.

IS2.2 The estimated increase of $12,417,900 in rental income is due to the combined increases from the rental income to be reverted to income section 2 at Nairobi ($11,000,000) after the complete settlement of all construction costs in Nairobi and increases at Headquarters ($562,300), Geneva ($793,900) and Bangkok ($61,700). The increase in rental income at Headquarters is due to the reoccupation of two banking institution branches in the Secretariat building, following the completion of the capital master plan renovations scheduled for 2012. The increase in rental income in Geneva is due to a readjustment to eligible maintenance costs chargeable to rental income in the biennium 2012-2013 as compared with the requirements for the biennium 2010-2011. The increase in Bangkok reflects the upward revision of rental rates agreed upon with tenant agencies based on the prevailing market rates.

Table IS2.2 **Income from rental of premises**

(Thousands of United States dollars)

Source	*2010-2011 approved estimates*	*2012-2013 estimates*	*Increase (decrease)*
Headquarters, New York	3 698.6	4 260.9	562.3
United Nations Office at Geneva	1 606.1	2 400.0	793.9
United Nations Office at Nairobi	—	11 000.0	11 000.0
Economic Commission for Africa, Addis Ababa	1 903.7	1 903.7	—
Economic and Social Commission for Asia and the Pacific, Bangkok	1 481.5	1 543.2	61.7
Economic Commission for Latin America and the Caribbean, Santiago	47.0	47.0	—
Total	**8 736.9**	**21 154.8**	**12 417.9**

B. Reimbursement for services provided to specialized agencies and others

IS2.3 The expected income under this heading is set out in table IS2.3. The total estimated income of $3,537,700 reflects an estimated increase of $129,500, resulting from: (a) a net increase of $38,400 in reimbursement by specialized agencies for conference services and language training at Geneva, projections of which are based on actual income in 2010; (b) an increase of $34,800 in reimbursement by specialized agencies for building management services at Vienna, projections of which are based on actual income in 2010; and (c) an increase of $56,300 in reimbursement for document reproduction services at the Economic Commission for Africa based on projected higher requirements for such services in the forthcoming biennium.

Table IS2.3 **Reimbursement for services provided to specialized agencies and others**

(Thousands of United States dollars)

Source	*2010-2011 approved estimates*	*2012-2013 estimates*	*Increase (decrease)*
United Nations Office at Geneva			
Conferences, document reproduction, distribution and other services	1 856.6	1 896.0	39.4
Language training	20.0	19.0	(1.0)
United Nations Office at Vienna			
Communications	825.1	859.9	34.8
Laissez-passer/visa services	22.6	22.6	—
Building maintenance	530.0	530.0	—
Economic Commission for Africa			
Document reproduction services	63.7	120.0	56.3
Language training	90.2	90.2	—
Total	**3 408.2**	**3 537.7**	**129.5**

C. Bank interest

IS2.4 The 2009 global financial crisis resulted in a sharp decline in interest rates, which have remained at persistently low levels owing to the weak global economic climate. This trend is expected to continue for the biennium 2012-2013, hence estimates are at low levels. It is projected that interest income to be paid by banks on balances in United Nations accounts during the biennium 2012-2013 would amount to $25,105,900, a decrease of $387,300 from the estimates for the biennium 2010-2011.

D. Sale of used equipment

IS2.5 The estimate of $83,100, reflecting a decrease of $80,600 as compared to the 2010-2011 estimates, is projected for the sale of used equipment on the basis of income earned in 2010. The practice of trading in old vehicles against the purchase price of new vehicles continues, which means that the benefit of resale value is achieved by net lower purchase prices.

E. Refund of previous years' expenditures

IS2.6 An estimated amount of $1,709,900, reflecting an increase of $100,000 over the 2010-2011 estimate, is expected to be refunded from prior years' expenditures based on actual experience during 2010.

F. Contributions of non-member States

IS2.7 Under the terms of rule 160 of the rules of procedure of the General Assembly and regulation 3.8 of the Financial Regulations and Rules of the United Nations, States that are not members of the United Nations but participate in certain activities of the Organization contribute towards the expenses of such activities at rates to be determined by the Assembly. By its resolution 44/197 B of 21 December 1989, the Assembly endorsed the revised assessment procedures for non-member States contained in the report of the Committee on Contributions on its forty-ninth session (A/44/11, paras. 50-52, and Add.1 and Add.1/Corr.1). The procedures provide for the assessment of contributions on the basis of a flat annual fee calculated at the beginning of each year. The estimate of $23,500 under this heading relates to the contributions expected in the biennium 2012-2013 from the Holy See, which is currently the only non-member State in the category described above.

G. Television and similar services

IS2.8 Income from television and similar services, such as publication fees charged when the images within the United Nations photo library are used in commercially published print monographs, service fees and royalty fees charged for the research, screening and duplication of the United Nations video and film collection, is estimated at $54,000, reflecting an increase of $15,900 based on actual income performance in 2010.

H. Miscellaneous income

IS2.9 Various receipts that cannot properly be classified under any of the preceding subheadings, such as insurance claim settlements, outdated cheques and airline rebates, are included under this one. The estimate of $826,900, reflecting a decrease of $189,900, is based on actual income performance in 2010.